

SENATE BILL 3183
By Cooper

AN ACT to amend Tennessee Code Annotated, Title 45;
Title 47 and Title 66, relative to residential
mortgages.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 47-32-102, is amended by deleting subdivision (1) in its entirety and renumbering the subsequent subdivisions.

SECTION 2. Tennessee Code Annotated, Section 47-32-102(2), is amended by deleting subdivision (A) in its entirety and by substituting the following language:

(A) Cash, in any amount;

SECTION 3. Tennessee Code Annotated, Section 47-32-102(2), is further amended by deleting subdivision (B) in its entirety and by substituting the following language:

(B) Electronic payments as defined in Federal Reserve Board Regulation CC (12 CFR § 229.2(p));

SECTION 4. Tennessee Code Annotated, Section 47-32-102(2), is further amended by deleting subdivision (E) in its entirety and by substituting the following language:

(E) Teller's check or other official check, however designated, as defined in Federal Reserve Board Regulation CC (12 CFR § 229.2(gg));

SECTION 5. Tennessee Code Annotated, Section 47-32-102(2)(F), is amended by deleting the language "or" at the end of the subdivision.

SECTION 6. Tennessee Code Annotated, Section 47-32-102(2)(G), is amended by deleting the period "." at the end of the subdivision and by substituting instead the language "; or".

SECTION 7. Tennessee Code Annotated, Section 47-32-102(2), is amended by adding

the following language as a new subdivision:

(H) A direct deposit or intra bank transfer of funds made by a financial institution to the account of the settlement agent held at the same financial institution.

SECTION 8. Tennessee Code Annotated, Section 47-32-102(11), is amended by deleting the language ", intended for any purpose" at the end of the subdivision.

SECTION 9. Tennessee Code Annotated, Section 47-32-103, is amended by deleting subsection (a) in its entirety and by substituting instead the following:

(a) This chapter applies to loans made by mortgage lenders utilizing settlement agents for residential mortgage transactions as defined under the federal Truth-in-Lending Act (15 U.S.C. §1602 (w)) and applicable regulations and interpretations.

SECTION 10. Tennessee Code Annotated, Section 47-32-105, is amended by adding as a new subsection (c) the following:

(c) A settlement agent may not refuse to accept funds if presented in a form authorized in §47-32-102(2).

SECTION 11. Tennessee Code Annotated, Section 47-32-107, is amended by deleting subsection (a) in its entirety and by substituting instead the following:

(a) Any party violating this chapter is liable to any other party suffering a loss due to such violation, for any actual damages sustained, plus reasonable attorneys' fees. In addition, any party in violation of this chapter whose violation causes an actual loss to another party shall pay to the other party or parties suffering a loss an amount in the aggregate equal to one thousand dollars (\$1,000), or the amount of interest payable on the mortgage loan for the first sixty (60) days after the loan closing, whichever amount is greater.

SECTION 12. This act shall take effect upon becoming a law, the public welfare requiring it.

